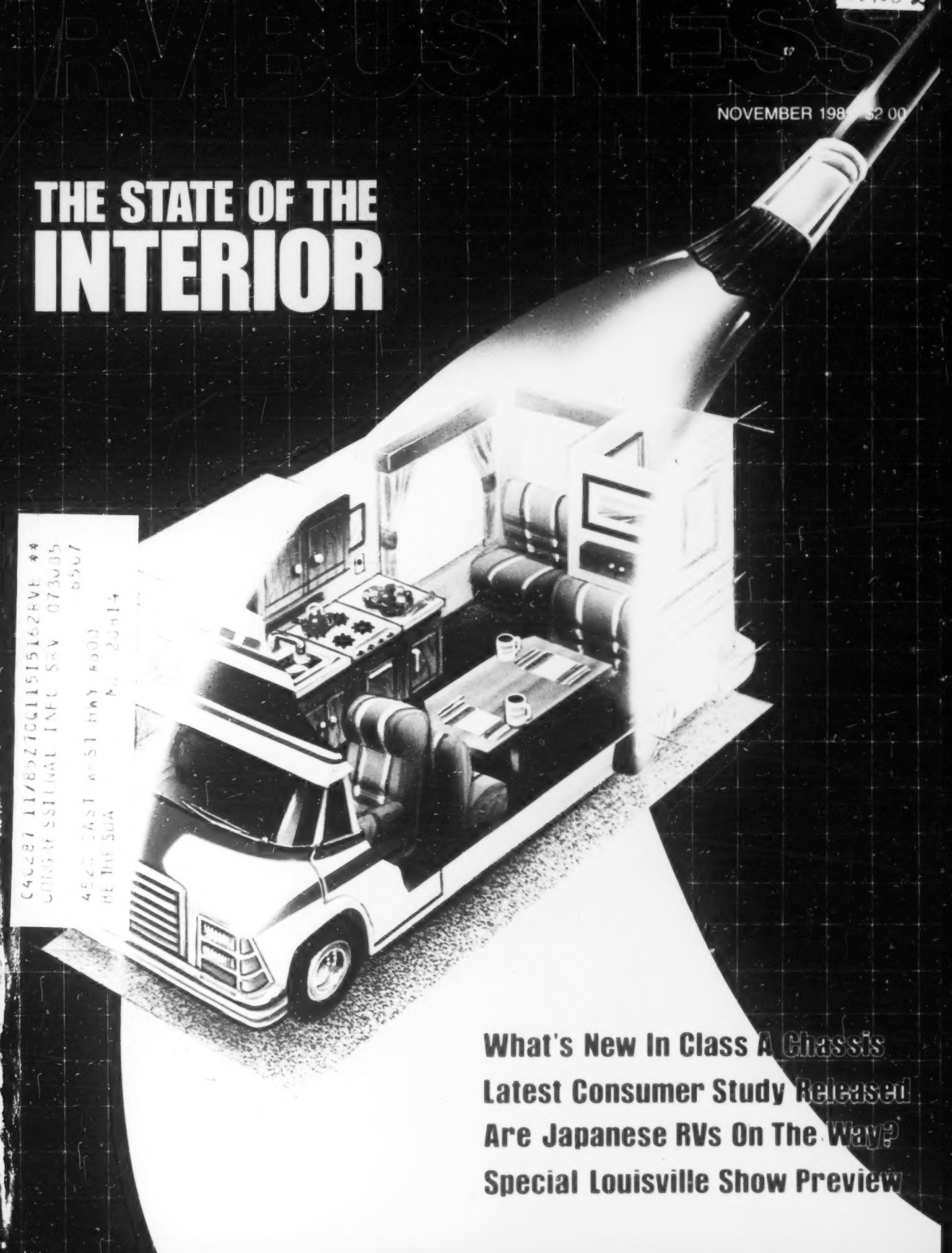
RV BUSINESS

NOVEMBER 198[illegible] $2.00

# THE STATE OF THE INTERIOR



## What's New In Class A Chassis

## Latest Consumer Study Released

## Are Japanese RVs On The Way?

## Special Louisville Show Preview

# RV BUSINESS

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**ON THE COVER:** Color—as our cover illustration demonstrates—framework, texture, component arrangement and line are integral parts of RV design. The coordination of industry and consumers has its own design, too. So, these things and more are included in this issue to help you in designing your RV business. Illustration: Kevin Aguilar.

# Perspective

An analysis of RVB's monthly survey of its Dealer Advisory Board Members

GAYLORD MAXWELL

| | NEW | | | | | | USED | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | FOR MONTH | | | YEAR-TO-DATE | | | FOR MONTH | | | YEAR-TO-DATE | | |
| | AUG '85 | AUG '84 | % CHANGE | 1985 | 1984 | % CHANGE | AUG '85 | AUG '84 | % CHANGE | 1985 | 1984 | % CHANGE |
| MOTORHOMES | 124 | 132 | − 6% | 980 | 974 | + 1 | 95 | 95 | 0% | 472 | 787 | − 6% |
| TRAVEL TRAILERS | 99 | 77 | +29% | 782 | 835 | − 6% | 107 | 103 | + 4% | 696 | 771 | −10% |
| TRUCK CAMPERS | 22 | 13 | +69% | 164 | 150 | + 9% | 14 | 14 | 0% | 112 | 164 | −32% |
| CAMPING TRAILERS | 163 | 145 | +12% | 1,384 | 1,410 | − 2% | 51 | 43 | +19% | 329 | 262 | +26% |
| FIFTH-WHEELS | 29 | 29 | 0% | 242 | 292 | −17% | 8 | 11 | +27% | 76 | 81 | − 6% |

| | FOR MONTH | | | YEAR-TO-DATE | | |
|---|---|---|---|---|---|---|
| | AUG '85 | AUG '84 | % CHANGE | 1985 | 1984 | % CHANGE |
| SALES VOLUME | $9,978,352 | $9,755,296 | + 2% | $76,[illegible]4,726 | $74,198,702 | +3% |
| TOTAL UNIT SALES | 712 | 662 | + 8% | 5,471 | 5,726 | −4% |
| NEW UNIT SALES | 437 | 396 | +10% | 3,516 | 3,661 | −4% |
| USED UNIT SALES | 275 | 266 | + 3% | 5,471 | 5,726 | −4% |

The modest retail sales upturn that began a couple of months ago continued through August. Dealers on RVB's Dealer Advisory Board (DAB) took in more dollars and delivered more units than they did in the corresponding month last year. Gains were small but, in a year that could well have been a big loser, any gain is significant.

Not everyone is sharing equally in the RV pie. Thirteen of the DAB dealers are up for the year-to-date, four are slightly down and six are biting the bullet. Due to improved management techniques, however, some of those dealers who aren't taking in as many dollars as they did last year are still doing very well in terms of bottom line. Conversely, not all dealers are putting more in their pockets just because their dollar sales volume is higher.

Some dealers are complaining that grosses have fallen drastically, generally due to strong competition. Probably, as much as anything, the fact that it's clean-up time for the '85 models accounts for weaker profits. Due to a drop in sales last fall and winter, many dealers carried over more inventory than they wished. Many will go into this off-season lean and mean.

Although more dollars have been taken in by the DAB dealers this year than last, both new and used unit sales are slightly behind '85. New motorhomes and truck campers are up, but all towable RV types are down. In used units, only camping trailers are in the plus column for the year-to-date.

Perhaps more than usual, RV dealers represents a mixed bag this time. It isn't uncommon to hear one complaining that the year has been a disaster. But, in general, the dealer body is in good shape.

## MOTORHOMES

There was a slight drop in new-unit deliveries in August. A couple of the larger DAB motorhome specialists dipped rather drastically, but several had nice increases. The general pattern is that more of the larger specialists are down from the previous year while some of the larger multi-type dealers have come on quite strong. The fact is that some of the trailer specialists who have had declining sales in that type have beefed up motorized inventory and are pressing for sales. Profits were generally rated good by most dealers.

## TRAVEL TRAILERS

After a very long spell of declining sales of new travel trailers, August proved to be an exception. New-unit sales shot up 29 percent—by far the best month in a long time. One month doesn't constitute a trend, but there's reason for trailer dealers to be more optimistic. Used sales were up slightly. Profits were generally rated good.

## TRUCK CAMPERS

The tremendous percentage increase in new-unit sales in August reflects a great month for the DAB camper specialist. Four other DAB dealers who stock this RV type did not do as well. During August, used units moved better than they have been moving. Although the figure is the same as for last August, that represents a considerable improvement over the year-to-date tally.

## FOLDING TRAILERS

Thanks to end-of-summer clean-up sales, new fold-downs moved well during August and showed a nice increase over the corresponding month in '85. It is possible that the 2 percent deficit for the year-to-date will be eliminated by the end of the year. Used camping trailers picked up, too. The year-to-date record is the best of any type for used units. As might be expected at this time of the year, profits were rated only fair or good.

## FIFTH WHEELS

After running behind last year's figures every month this year, fifth-wheels finally tied an '84 month. One of the two DAB specialists beat his number of last August, but the other fell way behind. Several dealers showed significant increases. Profits were rated mixed. Δ

*Perspective is a compilation of data provided by RVB's Dealer Advisory Board (DAB), a group comprised of 23 dealers representing a cross-section of the U.S. Dealer body. This report is an attempt to reflect the current retail sales picture; it does not purport to indicate RV production or factory sales to dealers.*

OLGA MARKOWITZ

Cracker barrel sessions and educational seminars will be offered at the **National Campground Owners Association**'s (NCOA) annual convention, November 6-9, at the Galt House in Louisville, Kentucky

Another autumn convention is in the air. The **Association of Illinois Rural Recreational Enterprises** (AIRRE) is scheduled for November 1-3 at the Holiday Inn, Holidome, in East Peoria, Illinois.

The **Texas Recreational Vehicle Association** (TRVA) is gearing up for its Southwest Super Show XI drawing, which will be held at the Grenelefe Hotel in Dallas, December 11. Registration for the drawing will be from 10 A.M. to noon, with the actual drawing taking place at 1 P.M. The Southwest Super Show itself is scheduled for March 5-9, 1986.

The **Aluminum Association** is offering the *Aluminum Statistical Review*, a 64-page statistical yearbook that contains statistical data on the aluminum industry for 1984. It is divided into five major sections: aluminum shipments, markets, supply, U.S. foreign trade statistics and world aluminum statistics. Copies are available for $25 each from the Aluminum Association, Publications Department, 818 Connecticut Avenue, N.W. Washington, D.C. 20006

# A HISTORY OF THE RV INDUSTRY

Although the U.S. industry began in the 1930s as an outgrowth of the mobile home industry, it was the early 1960s before RVs became extremely popular in this country. The industry hit the billion-dollar-a-year status in 1969.

| | Year | Unit Shipments (In Thousands) | % Change From Prior Year (All Type) | Retail $ Value (In Billions) |
|---|---|---|---|---|
| | 1969 | 400.6 | + 20.3 | $1.043 |
| | 1970 | 380.3 | − 5.1 | 1.122 |
| | 1971 | 451.0 | + 18.6 | 1.597 |
| | 1972 | 582.9 | + 29.2 | 2.365 |
| Oil | 1973 | 528.8 | − 9.3 | 2.322 |
| Embargo | 1974 | 295.8 | − 44.1 | 1.392 |
| | 1975 | 339.6 | + 14.8 | 2.320 |
| | 1976 | 541.1 | + 59.4 | 4.284 |
| | 1977 | 533.9 | − 1.3 | 5.327 |
| | 1978 | 526.3 | − 1.4 | 5.683 |
| Gas & | 1979 | 307.7 | − 41.5 | 3.581 |
| Credit | 1980 | 181.4 | − 41.0 | 1.951 |
| Crunch | 1981 | 239.1 | + 32.0 | 2.775 |
| | 1982 | 258.0 | + 8.0 | 3.505 |
| | 1983 | 358.0 | + 39.0 | 6.324 |
| | 1984 | 398.2 | + 11.2 | 7.733 |
| | 1985 | 201.1 (through June) | − 10.3 | |

*Source: Recreation Vehicle Industry Association*

# RVIA, AUGUST

The marketing committee of the Recreation Vehicle Industry Association has announced that the total number of recreational vehicles shipped from manufacturers' plants during August 1985 was 27,500 units, down 15.6% from August 1984.

The shipment figures released by the association are contained in a report compiled for the membership by RVIA's marketing committee under the chairmanship of Allen Yoder Jr. of Jayco Incorporated, Middlebury, Indiana.

| RV shipments were as follows in August 1985 | | August 1984 | Percent Change | Cumulative 1985 | Cumulative 1984 | Percent Change |
|---|---|---|---|---|---|---|
| TRAVEL TRAILERS | 3,800 | 4,700 | – 19.1% | 41,400 | 51,400 | – 19.5% |
| PARK MODELS | 500 | 500 | 0% | 4,900 | 4,800 | + 2.1% |
| FIFTH-WHEELS | 1,600 | 1,400 | + 14.3% | 14,300 | 14,000 | + 2.1% |
| TRUCK CAMPERS | 600 | 600 | 0% | 5,200 | 6,100 | – 14.8% |
| MULTI-USE VEHICLES | 12,000 | 14,900 | – 19.5% | 115,600 | 122,500 | – 5.6% |
| TYPE A: MOTOR-HOMES | 2,900 | 4,100 | – 29.3% | 24,200 | 29,600 | – 18.2% |
| TYPE B: VAN CAMPERS | 400 | 300 | + 33.3% | 5,200 | 5,200 | 0% |
| TYPE C: MINI MOTOR-HOMES | 2,500 | 2,500 | 0% | 21,400 | 25,200 | – 15.1% |
| FOLDING CAMPING TRAILERS | 3,200 | 3,600 | – 11.1% | 26,300 | 29,400 | – 10.5% |
| TOTALS | 27,500 | 32,600 | – 15.6% | 258,500 | 288,200 | – 10.3% |

# NEW INSIGHTS INTO THE RV MARKET

## RV consumer trends shown in current RVIA/University of Michigan study

RICHARD T. CURTIN, Ph.D.

Who are the purchasers of today's recreational vehicles? Do they match in age, income and geographical location with RV buyers of the past few years?

How much of the potential RV market is made up of current owners, and how much is dependent on attracting first-time buyers to the RV way of life?

What is the current RV ownership rate, and what is the prevailing attitude about RVs among the American public?

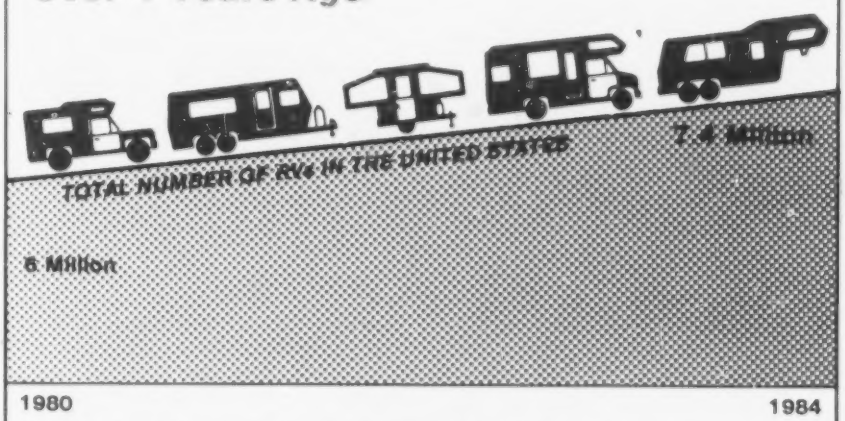
How does the future look for the RV lifestyle in America?

These important questions should be asked by RV manufacturers and dealers on a regular basis. The answers will help them develop and direct the marketing and advertising strategies of their own companies.

The Survey Research Center of the University of Michigan investigated these and many more questions on consumer attitudes toward RVs by conducting a survey on the subject in 1984. The survey was done at the request of the Recreation Vehicle Industry Association (RVIA), for which the center has done similar surveys in 1980 and in 1982.

The new study was designed to update findings from this earlier research. Our research staff wanted to see how the RV consumer is reacting to the eco-

**RV Ownership Up 22% Over 4 Years Ago**

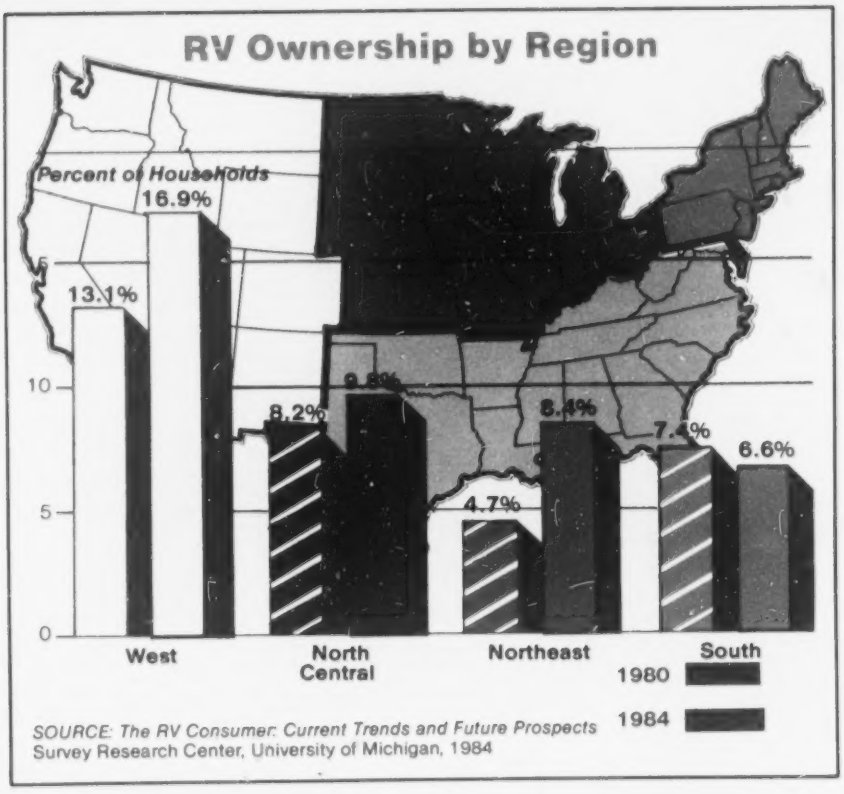



*SOURCE: The RV Consumer: Current Trends and Future Prospects*
Survey Research Center, University of Michigan, 1984

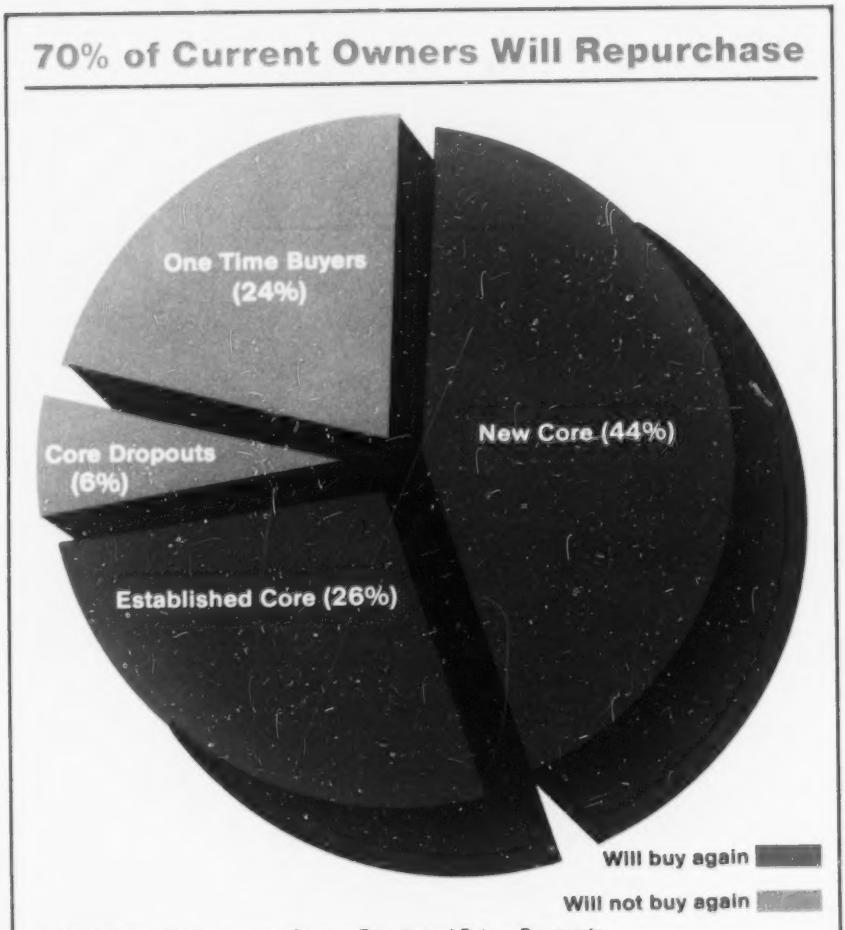
**Potential RV Market**

| | Current Owners | Non-Owners Interested in Buying | Non-Owners Interested in Renting | Total Potential Market |
|---|---|---|---|---|
| **All Families** | 10% | 4% | 14% | 28% |
| **Ages** | | | | |
| 18–34 years | 6 | 5 | 21 | 32 |
| 35–54 years | 14 | 4 | 14 | 32 |
| 55 and older | 10 | 3 | 6 | 19 |
| **Region:** | | | | |
| West | 17 | 4 | 16 | 37 |
| North Central | 10 | 4 | 14 | 28 |
| Northeast | 8 | 5 | 12 | 25 |
| South | 7 | 4 | 14 | 25 |

*SOURCE: The RV Consumer: Current Trends and Future Prospects*
Survey Research Center, University of Michigan, 1984




SOURCE: The RV Consumer: Current Trends and Future Prospects
Survey Research Center, University of Michigan, 1984




SOURCE: The RV Consumer: Current Trends and Future Prospects
Survey Research Center, University of Michigan, 1984

nomic challenge of the '80s, to see if any new trends are emerging in consumer buying attitudes and to identify any major shift in primary demand for RVs.

The following are the major survey findings on which this article will focus:

- RV ownership has increased by about 5 percent from 1980 to 1984, up from 6 million to roughly 7.4 million. The increase has occurred during a four-year period dominated by adverse economic conditions, signifying a broadly based and deeply rooted attraction to the RV way of life.
- Current RV ownership demographics are largely the same as they were in 1980. They reaffirm that RVs have broad appeal and that ownership of a particular type of RV is linked to the vehicle's own unique characteristics of size, concept and design.
- RV prices, personal finances and credit terms all play a role in the timing of an RV purchase, and their significance varies by demographic subgroup.
- Nearly one in four American vehicle-owning households is now a good RV market prospect, meaning that the potential RV market is more than double the current RV ownership rate.

Let's examine each of these findings in depth.

**Ownership Growth**

Today, 1 in 10 vehicle-owning families in the United States (9.8 percent) owns an RV. A couple of years ago, only 8.3 percent were RV owners. Accompanying this growth has been an overall increase in awareness about RVs among nonowners as more people than ever are beginning to see where RVs fit into their recreational lives.

The growth is even more impressive considering that the four-year period during which it took place was beset by adverse conditions such as high-interest rates, two recessions and spiraling gasoline prices. We believe the RV industry's excellent performance throughout the last few years stands as proof of the resilience and vitality of the RV lifestyle.

**Demographics Update**

Most growth in RV ownership occurred, as we expected it would, among people between 35 and 54 years of age. A total of 14 percent of all Americans in this age group currently own an RV, which is 3 percentage points higher than in 1980. Earlier, we found this age range to be most receptive to RV ownership because its members generally possess the same characteristics as RV owners—homeownership, experience-orientation and financial stability. The recent increase in RV ownership within this age group is due largely to the entrance of the biggest segment of the U.S. population: the baby-boom generation. The aging of this population will most

likely result in substantial growth in RV ownership during the next decade.

The ownership rate among older Americans has also increased. Of those over 55 years of age, 9.9 percent now own RVs, compared to 7.9 percent in 1980. The increase in ownership among the middle-aged was concentrated in motorhomes and vans, while among those in the over-55 age bracket, growth was largest in travel trailers.

A drop in RV ownership was recorded among 18- to 34-year-olds, falling from a 6.3 percent ownership rate to 5.7 percent. Traditionally, this group has had the smallest percentage of RV ownership because they are less settled both domestically and financially. The recent drop is probably due to the fact that, much more so than for any generation before them, their prospects upon entering the job market were extremely lean. Many were forced to enter at low-paying job levels while the economy prevented them from starting families and buying homes—both traditional forerunners of purchasing an RV. As the financial picture improves for this group and more of them become homeowners, we look for growth in RV ownership among them.

Results of the new survey also showed that there continues to be widespread RV ownership among families of all income levels. We divided all participants in the survey into those with family incomes over the median ($25,000) and those with family incomes below the median. We found that both income groups experienced a growth in RV ownership from 11.2 percent to 12.4 percent among those with higher-than-median family incomes, and from 7.1 percent to 7.9 percent among families earning less than $25,000. These simultaneous increases point to a constant demand for RVs at both higher and lower ends of the pricing spectrum.

Three of the four major census regions showed an increase in RV ownership rates in the new survey. The greatest growth—from 13.1 percent to 16.9 percent—was in the Western region of the country, which recorded the highest ownership rates in both the 1980 and 1984 surveys. Traditionally, RVs have been most popular among Western residents, and in 1984 Westerners accounted for a total of 30 percent of all RVs owned.

RV ownership increased in the North-Central region from 8.2 percent to 9.8 percent; the Northeast recorded a stunning 8.4 percent ownership rate, nearly double its 4.7 percent rate in 1980. Residents of the Northeast posted nearly equal increases for all types of RVs, while in the Western region the growth in ownership was concentrated mainly in fifth-wheels and travel trailers. The North-Central region showed a slight preference for folding camping trailers and truck campers.

The South is the one region where we saw a notable decline in RV ownership, down from 7.4 percent to 6.6 percent. With the decrease in the South and the increase in the Northeast, the RV ownership rate in the Northeast surpassed the South in 1984. Since the South has the largest population of all four census areas, the drop in RV ownership there is significant for the RV industry.

In actual numbers of households, more RV owners live in the West (2.4 million) than in any other region. This is followed by the North-Central region (1.8 million), the South (1.6 million) and the Northeast (1.3 million).

By product type, an increase in the number of owners of all but one general type of RV was found in 1984 compared to four years earlier. The only exception was for ownership of truck campers, which fell only slightly from 1.8 percent to 1.5 percent. The growth in ownership of van conversions was somewhat above the growth in motorhome ownership. Van conversion ownership rose from 1.4 percent to 1.9 percent of all households, while motorhome ownership rose from 1.2 percent to 1.4 percent. Travel trailers were not only the most common type of RV owned in both 1980 and 1984, but also had the highest growth—from 3 percent to 3.7 percent. The decline in truck camper ownership, even though households are now more likely to own pickup trucks, reflects in part the decreasing size of pickup trucks.

## Factors That Will Most Influence Timing of RV Replacement Purchase

| | Median # of Years Before Replace | Personal Finances | Good Buys on RVs | Cost of Finance | Other Factors | Total |
|---|---|---|---|---|---|---|
| **All RV Owners that Intend Replacement Purchase** | 3.7 | 47% | 33% | 9% | 11% | 100% |
| **Market Type** | | | | | | |
| Established core | 4.3 | 41 | 39 | 8 | 12 | 100% |
| New core | 3.4 | 47 | 30 | 11 | 12 | 100% |
| **Age** | | | | | | |
| 18–34 years | 4.5 | 63 | 21 | 7 | 9 | 100% |
| 35–54 years | 4.6 | 50 | 29 | 11 | 10 | 100% |
| 55 or older | 2.3 | 25 | 48 | 9 | 18 | 100% |
| **Income** | | | | | | |
| Under $20,000 | 4.8 | 51 | 25 | 14 | 10 | 100% |
| $20,000–$29,000 | 3.1 | 50 | 34 | 14 | 2 | 100% |
| 30,000 and over | 3.6 | 36 | 41 | 4 | 19 | 100% |
| **Region** | | | | | | |
| West | 3.0 | 40 | 31 | 13 | 16 | 100% |
| North Central | 5.0 | 43 | 41 | 4 | 12 | 100% |
| Northeast | 3.0 | 48 | 29 | 9 | 14 | 100% |
| South | 4.0 | 55 | 33 | 8 | 4 | 100% |

*SOURCE: The RV Consumer: Current Trends and Future Prospects*
Survey Research Center, University of Michigan, 1984

**Current Owner Purchase Intentions**

Besides falling into the age, income, geographical and product categories outlined above, current RV owners can also be categorized by their past and future purchase intentions.

First, we asked survey participants about their history as RV owners and we found that 68 percent were first-time buyers, while 32 percent had owned an RV before their current unit. Folding camping trailer and truck camper owners were predominantly first-time buyers (83 percent). Of all travel trailer and fifth-wheel owners, about half (55 percent) were first-time buyers and the others (45 percent) had previously owned an RV.

Motorhome and van conversion owners had much the same record as all RV owners in general: 70 percent were first-time buyers while the remaining 30 percent were repeat customers.

As for future intentions to buy an RV, we found that current owners could be grouped as follows: established core (26 percent), new core (44 percent), one-time buyers (24 percent) and core dropouts (6 percent).

The established core is made up of RV owners who have owned two or more RVs and plan to buy again, and the new core consists of those who now own their first RV and plan to buy another. Core dropouts, who are very few in number,

*continued on page 90*

# NEW INSIGHTS

*from page 82*

make up those who have owned two or more RVs but do not expect to buy another one. One-time buyers are those who now own an RV but do not intend to make a replacement purchase.

Adding together the two groups of current owners who plan to buy again—the established core and the new core—we can see that 70 percent, or 7 in 10 owners, will replace their current RV with another unit, remaining an active part of the RV lifestyle. This represents more than 5 million households and compares favorably with the 1980 finding that 65 percent of owners would replace their RV. Both figures indicate a high level of satisfaction among owners.

Replacement demand among current RV owners continues to display a definite pattern of "moving up" in terms of unit size and price, just as we found in the 1980 study. Of the 70 percent of current owners who will replace their RVs with another, 41 percent plan to purchase a motorhome or van conversion (the most expensive types of RVs), 22 percent will purchase a travel trailer or fifth-wheel (midpriced) and only 7 percent of current owners choose to replace their current RV with a folding camping trailer or a truck camper (least expensive). Whereas lower-priced units are more frequently the choice of first-time buyers, repeat buyers often opt for the higher-priced types of RVs.

Motorhomes, especially, are the future choice for many present RV owners. A total of 73 percent of current motorhome and van conversion owners will replace their units with the same type of RV. Of folding camping trailer and truck camper owners, 23 percent will replace their units with a travel trailer or fifth-wheel, 21 percent with a motorhome and 18 percent with the same type of unit. Travel trailer and fifth-wheel owners fall somewhere in between, with 42 percent planning to buy a motorhome next time, 24 percent expecting to buy another travel trailer, and only 2 percent choosing the lower-priced folding camping trailer or truck camper.

*"The most important determinant in the timing of replacing an RV was personal finance."*

The most important factor mentioned by current RV owners as affecting the selection of their next RV was interior space (45 percent). Other factors included operating costs and tow requirements, which were well behind at 18 percent and 4 percent, respectively. In addition, 28 percent—mostly motorhome and van conversion owners—mentioned specific improvements in areas such as driving and towing performance, and in kitchen facilities.

The most important determinant in the timing of replacing an RV was personal finance (47 percent). Good buys on RVs (33 percent) was a strong second, and cost of RV financing (9 percent) a distant third. When might RV owners purchase again? We found that current owners plan to replace their RV in 3.7 years on the average. Those in the established core indicated they would replace their RVs somewhat later, in 4.3 years, than those in the new core, who planned a replacement in 3.4 years.

Younger buyers, who are more likely to buy an RV using credit, were predictably the most credit sensitive among all current owners. This group is mainly concerned with the "cost per month" or

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out-of-pocket cost as opposed to total cost (including finance charges) of the RV purchase. They will be more inclined to buy an RV when presented with longer loan maturities which will provide them with more manageable monthly payments.

The middle-age group, between 35-54, cited personal finances as the most important factor for time of replacement. Those over age 55, who are often at or nearing retirement, were most concerned with good buys on RVs and were largely unaffected by financing costs.

**Total Potential Market**

The total potential RV market—those who will buy RVs in the years ahead—consist of: 1) the 70 percent of all current owners who intend to make replacement purchases, and 2) first-time buyers.

Members of the established core market are generally older, and, if they are still working, generally have higher-than-average incomes. Since many of them are retired or near retirement age, their purchases are primarily financed out of accumulated savings and not by using credit. Rising unemployment and high-interest rates have little adverse affect on this group, but inflation affects their spending habits.

Even if the upcoming decade is marked by slow economic growth coupled with rising unemployment and high-interest rates, this group will make good sales prospects as long as inflation remains low and stable. Their decisions on when to repurchase an RV are generally dictated by price; so incentives, such as rebates and markdowns, will increase their likelihood of buying at a particular time. Because it is so concerned with price, the established core market is the most competitive market segment. This group is the most likely to buy during cyclical economic downturns and in RV sales.

*"The established core market . . . is the most likely to buy . . . in RV sales."*

The new core market members are generally middle-aged with above-median household incomes. Their purchases usually involve credit, so the timing of their replacement purchases is tied to interest rates and their own financial security. This group usually dominates the early stages of the overall rebound in market sales after a downturn in the economy.

Clearly, the most dependable prospects for RV sales in the next decade are the 7 out of 10 current owners who are already planning to make a replacement purchase. But the first-time buyers of today will be the established core of the future and provide an even broader scope to the RV industry.

First-timers tend to be younger in age and have incomes near the median. They are very much affected by credit conditions and personal finances—more so than the new core market. They are usually the last group to buy an RV after an economic recession. They are especially attentive to low prices and are, therefore, prime targets for lower-priced introductory units. As stated earlier, they are also more likely to buy an RV if given longer loan maturities offering them lower monthly payments.

First-time buyers are excellent prospects for RV rentals, which have become increasingly popular in the last few years, offering newcomers the opportunity to experience the RV way of

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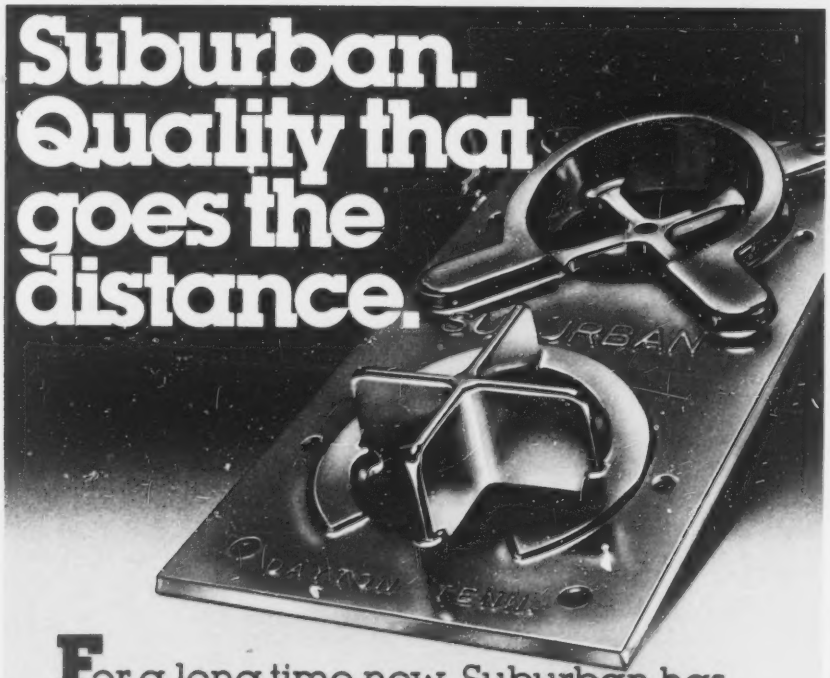

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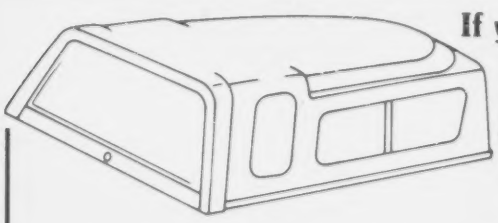

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## NEW INSIGHTS

*continued*

life without first making a large financial investment. One-way rentals and fixed-site rentals are two new rental arrangements now being offered. In our survey, nonowners in the Northeast showed the most interest in these new rental arrangements, as did families with below-median incomes.

We found that 4 percent of nonowners in our survey expressed a direct interest in buying an RV within the next year; 14 percent are considering the possibility of renting an RV in the next 12 months. Turning this 18 percent into RV sales and attracting those who have, up to now, shown no interest in RVs will be the challenge for the RV industry in the next decade.

One last word that might make meeting this challenge a little easier: One in four vehicle-owning households is already showing an interest in the RV lifestyle, either by owning or planning to buy or rent an RV. Δ

*Richard T. Curtin, Ph.D., is director of the survey of consumer attitudes at the Survey Research Center of the University of Michigan. He is regarded as one of the nation's foremost researchers in the field of consumer behavior. Recapped in this article are the important findings of a newly completed study by Curtin and the Survey Research Center about RV consumers. This is the third major study on RVs that Dr. Curtin and his staff have conducted in the last five years. It is based on telephone interviews with 2491 vehicle-owning households in 1984. The findings are relevant not only for what they indicate on their own but also for how they compare to the previous years. Copies of the new study are available from RVIA, P.O. Box 2999, Reston, Virginia 22090, for $10 plus $1 for postage and handling.*

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